

PROVIDING FOR THE DISPOSITION OF SURPLUS PERSONAL PROPERTY TO THE TERRITORIAL GOVERNMENT OF ALASKA UNTIL DECEMBER 31, 1958

JUNE 5, 1956.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. ENGLE, from the Committee on Interior and Insular Affairs, submitted the following

REPORT

[To accompany H. R. 10946]

The Committee on Interior and Insular Affairs, to whom was referred the bill (H. R. 10946) to provide for the disposition of surplus personal property to the Territorial government of Alaska until December 31, 1958, having considered the same, report favorably thereon with amendments and recommend that the bill, as amended, do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

That the Act entitled "An Act to provide for the disposition of surplus personal property to the Territorial government of Alaska," approved August 24, 1954 (68 Stat. 794), is amended—

(1) by striking out "December 31, 1956" where it appears in the first section and inserting in lieu thereof "December 31, 1958"; and

(2) by adding a new section to read as follows:

"Sec. 3. Disposals of surplus property pursuant to section 1 of this Act shall be made in accordance with regulations prescribed by the Administrator of General Services, including provision for reimbursement for costs of care and handling."

EXPLANATION OF THE BILL

The purpose of H. R. 10946, as amended, introduced by Delegate Bartlett, is to amend the act entitled "An act to provide for the disposition of surplus personal property to the Territorial government of Alaska," approved August 24, 1954 (68 Stat. 794), for a 2-year period.

Presently, the law expires on December 31, 1956. H. R. 10946, as amended, will extend the expiration date until December 31, 1958.

The existing statute is also amended by adding section 3 which will provide that disposals of the surplus property shall be made in accordance with regulations prescribed by the Administrator of General Services which will include provision for reimbursement for cost of care and handling.

The act of August 24, 1954 (Public Law 659, 83d Cong.), authorizes the disposal to the Territorial government of Alaska without reimbursement of surplus personal property owned by the United States, when the Governor of Alaska finds that such property is essential for the operation of activities of the Territorial government. The surplus personal property referred to must be physically located in Alaska and no longer required by any agency of the Federal Government.

Under the 1954 act, Alaska has obtained surplus property which originally cost the Federal Government more than \$3 million. Had such property been disposed of under Federal property laws requiring public sales, the monetary returns would have been negligible. Such Territorial departments as aviation, public health, engineering, soil conservation, police, civil defense, fisheries, and mines each have obtained large stocks of surplus materials.

The Governor of Alaska highly recommends the enactment of this legislation.

The favorable reports of the Department of the Interior and the Bureau of the Budget, dated May 25 and May 28, respectively, are as follows:

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., May 25, 1956.

HON. CLAIR ENGLE,
*Chairman, Committee on Interior and Insular Affairs,
House of Representatives, Washington, D. C.*

MY DEAR MR. ENGLE: This responds to your request for the views of this Department on H. R. 10946, a bill entitled "To provide for the disposition of surplus personal property to the Territorial government of Alaska until December 31, 1958," which would amend the act of August 24, 1954 (Public Law 659, 83d Cong., 68 Stat. 794).

We recommend that that bill be enacted, were it to be amended as proposed herein.

The above-mentioned act of August 24, 1954, authorizes the disposal to the Territorial government of Alaska without reimbursement of surplus personal property owned by the United States, when the Governor of Alaska finds that such property is essential for the operations or activities of the Territorial government. The operation of the law is limited to surplus personal property in Alaska, and the Territory may thus under the statute obtain only such property as is physically located in Alaska. By its terms, Public Law 659 will expire on December 31, 1956, and the purpose of H. R. 10946 is to extend its life for an additional 2 years, until December 31, 1958.

The extension of this law is as justified as was its initial enactment. The purpose of the original statute, as this Department reported in 1954, is to allow the Territory to obtain property no longer needed by any agency of the United States when such property is needed by the Territory for useful public purposes. Federal agencies in Alaska

frequently have for disposal substantial quantities of Federal property which cannot be sold for prices commensurate with its value because of its location in the Territory and the comparatively high transportation costs to the States.

Under the terms of Public Law 659, Alaska has benefited materially. As of January 31 of this year, it had obtained surplus property which originally cost the Federal Government in excess of \$3 million. Such property, if sold under the Federal property laws requiring public sales, would probably have resulted in only a negligible return to the United States.

Among the property transfers to Territorial agencies which have been of particular benefit to the people of Alaska are the following: The Alaska Department of Aviation has obtained steel mat for landing strips for small communities which are isolated except for air transport. The department of public health has obtained tools and supplies for a sanitation program for isolated native villages on the Bering Sea. The Territorial engineer has installed harbor and waterfront improvements for fishing boats, using spikes, fittings, cable, steel rods, and many other items obtained from surplus. The Alaska Soil Conservation District has acquired tractors, pumps, soil compactors, and other items of equipment essential to its work and for which funds were not available. The departments of fisheries and mines have received tools and equipment of many sorts in furtherance of their investigative programs to develop natural resources. The new department of Territorial police has received machines, equipment, first-aid kits, and gear for outlying stations. Civil defense has obtained large stocks of odd lots of substandard equipment and supplies such as cots, blankets, kitchen and mess utensils, and cook stoves and heaters for emergency use in outlying communities.

The Governor of Alaska, as the principal representative of this Department in the Territory, is responsible for the administration of Public Law 659, and there has been established in his office a permanent accounting system indicating the kind and quantity of property distributed to using agencies of the Territorial government.

In view of the substantial benefits which the Territory of Alaska has derived from Public Law 659, in view of its continuing need for surplus Federal personal property, and in view of the negligible return to the Federal Government that would be likely to arise from alternative dispositions, we strongly recommend extending the law for an additional two years as proposed in H. R. 10946.

We believe, however, that the bill should contain a specific provision that dispositions of property shall be made in accordance with regulations of the Administrator of General Services, and that such regulations may provide for reimbursement for costs of care and handling. Regulations have been issued by the General Services Administration to implement Public Law 659, and disposals have, of course, been made pursuant to them. A specific provision authorizing reimbursement for costs of care and handling is, we believe, entirely appropriate, and the Territory has in fact paid such costs under the existing law.

In order to accomplish the purpose of the bill, to make provision for the issuance of regulations by the Administrator of General Services, and to clarify the meaning of the provisions of the bill by having the proposed authorities set forth in their entirety in the bill, we

recommend that H. R. 10946 be amended by deleting all that language appearing in lines 1 through 7, page 1, and by inserting in lieu thereof the following language:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled 'An Act to provide for the disposition of surplus personal property to the Territorial government of Alaska,' approved August 24, 1954 (68 Stat. 794) is amended—

"(1) By striking out 'December 31, 1956' where it appears in the first section and inserting in lieu thereof 'December 31, 1958'; and

"(2) By adding a new section to read as follows:

"SEC. 3. Disposals of surplus property pursuant to section 1 of this Act shall be made in accordance with regulations prescribed by the Administrator of General Services, including provision for reimbursement for costs of care and handling.'"

The Bureau of the Budget has advised that there is no objection to the submission of this report to your committee.

Sincerely yours,

WESLEY A. D'EWART,
Assistant Secretary of the Interior.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., May 28, 1956.

Hon. CLAIR ENGLE,

*Chairman, Committee on Interior and Insular Affairs,
House of Representatives, Washington, D. C.*

MY DEAR MR. CHAIRMAN: Reference is made to your request for the views of this Bureau concerning H. R. 10946, to provide for the disposition of surplus personal property to the Territorial government of Alaska until December 31, 1958.

The bill would extend for a 2-year period the authority granted by Public Law 659 (83d Cong.) for the Territory of Alaska to acquire surplus Federal personal property without cost.

We are informed that pursuant to Public Law 659, the Territory has acquired a great variety of surplus property, the original estimated cost of which is in excess of \$3 million. Had this property been sold under the Federal property laws requiring public sales there probably would have been only a small return to the United States.

The Department of the Interior, in a report on this bill, recommends that the bill be amended by adding a new section requiring that disposals be made in accordance with regulations prescribed by the Administrator of General Services, which regulations would require reimbursement for costs of care and handling.

If so amended, this Bureau would recommend enactment of the bill.

Sincerely yours,

ROBERT E. MERRIAM,
Assistant to the Director.

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

ACT OF AUGUST 24, 1954 (68 STAT. 794)

That notwithstanding any provision of the Federal Property and Administrative Services Act of 1949, as amended, or any other provision of law, surplus personal property may be disposed of until [December 31, 1956] *December 31, 1958*, to the Territorial government of Alaska at the request of the Governor of Alaska without reimbursement or transfer of funds when such surplus personal property is found by the Governor to be essential for the operations or activities of the Territorial government.

SEC. 2. The terms "property" and "surplus property", as used in section 1 hereof, shall have the meaning now or hereafter ascribed to them in the Federal Property and Administrative Services Act of 1949, as amended.

For the information of the Members of the House, changes in existing law made by the bill as reported are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

ACT OF AUGUST 24, 1954 (68 STAT. 794)

That notwithstanding any provision of the Federal Property and Administrative Services Act of 1949, as amended, or any other provision of law, surplus personal property may be disposed of until [December 31, 1956,] *December 31, 1958*, to the Territorial government of Alaska at the request of the Governor of Alaska without reimbursement or transfer of funds when such surplus personal property is found by the Governor to be essential for the operations or activities of the Territorial government.

SEC. 2. The terms "property" and "surplus property", as used in section 1 hereof, shall have the meaning now or hereafter ascribed to them in the Federal Property and Administrative Services Act of 1949, as amended.

SEC. 3. Disposals of surplus property pursuant to section 1 of this Act shall be made in accordance with regulations prescribed by the Administrator of General Services, including provision for reimbursement for costs of care and handling.

The Committee on Interior and Insular Affairs recommends enactment of H. R. 10946, as amended.

The Commission will have to take into account the fact that the provisions of the law are not always clear and that the Commission has to interpret them in the light of the general principles of law. The Commission will have to take into account the fact that the provisions of the law are not always clear and that the Commission has to interpret them in the light of the general principles of law.

ACT OF AUGUST 2, 1934 (28 STAT. 1443)

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